

# SUTTER COUNTY ECONOMIC FORECAST

Sutter County, the birthplace of the seedless grape, is located north of Sacramento County and south of Butte County. Sutter County has a population of 90,600 people and 26,600 wage and salary jobs. The per capita income in Sutter County is \$27,100, and the average salary per worker is \$34,367.

Although not nearly as robust as Southern California, employment growth in Northern California was strong in 2005, compared to the previous four years. Employment in the greater Bay Area increased by 0.8 percent last year, while the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter Counties) grew at a healthy pace of 2.4 percent. In 2005, nearly 600 total wage and salary jobs were created in Sutter County, implying a growth rate of 2.3 percent. Jobs in the non-farm sector increased 2.6 percent. The unemployment rate declined to 9.4 percent in 2005.

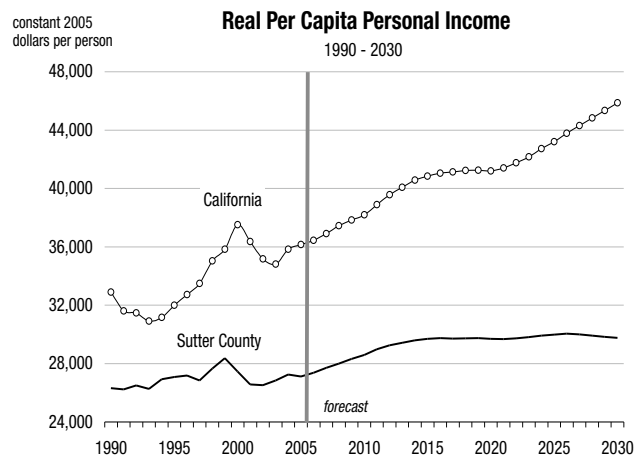
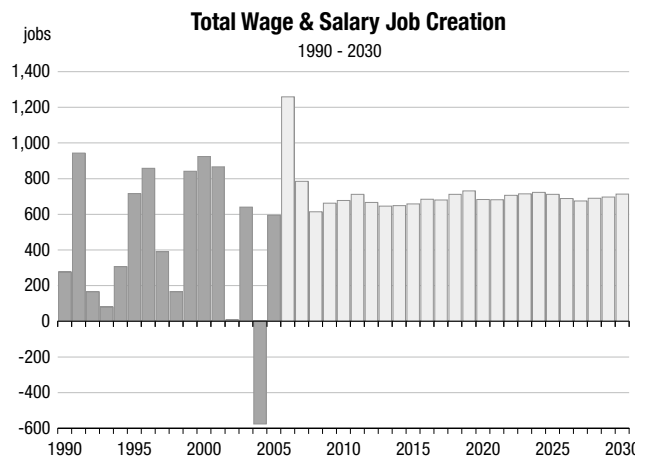
The principal industries that are producing jobs in Sutter County are professional services, government, and healthcare and education. Each of these sectors created 120 or more jobs last year. The manufacturing sector lost over 130 jobs in 2005 and 800 jobs since 2001. The farm sector accounts for 14 percent of total employment in the county, while the public sector contributes 17 percent of all wage and salary jobs.

The population grew in Sutter County at a rate of 2.6 percent from January 2005 to January 2006. Approximately two thirds of the county population resides in Yuba City, which grew by 3.4 percent last year.

Employment growth is expected to increase over the next several years, as a result of growth in the non-farm sector. Population growth will also stay at elevated levels over the forecast as more jobs are created in the county.

## FORECAST HIGHLIGHTS

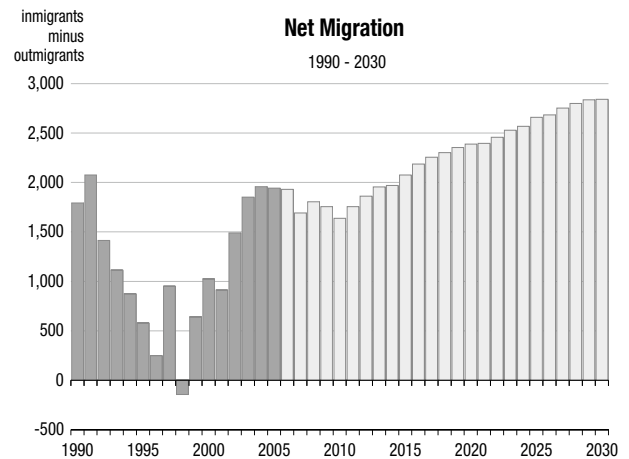
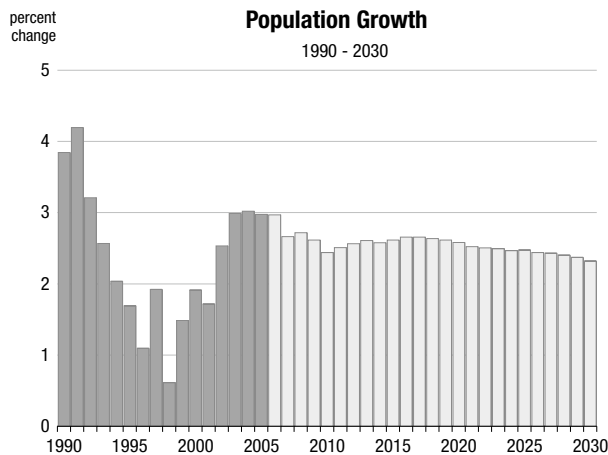
- Job growth is forecast to increase in 2006 to 4.7 percent. Job growth is expected to remain high over the next five years, averaging 2.9 percent per year. Farm employment is forecast to remain flat.
- Average salaries adjusted for inflation are currently below the California state average. Salaries are expected to remain below the state average over the forecast period. However, adjusted for inflation, average salaries are expected to rise an average of 2.3 percent per year over the next 5 years.
- Between 2006 and 2010, the momentum for employment growth is in education and healthcare services, retail trade and government. These three sectors account for nearly 70 percent of all jobs created in the county over the next five years.
- The population will continue to grow, and at a significantly faster rate than the state average. Annual growth in the 2006 to 2010 period averages 2.7 percent per year.
- Net migration will remain at approximately 1,900 people in 2006. Over the next five years average net migration will average 1,760 net migrants per year.
- Real per capita incomes are forecast to rise 1.0 percent in 2006. Over the next five years real per capita incomes are forecast to increase 1.1 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to rise 7.9 percent in 2006. Over the next five years real taxable sales growth is forecast to average a healthy 6.7 percent per year.
- Industrial production is forecast to increase by an average of 4.6 percent per year over the next five years.



# Sutter County Economic Forecast

## 1997-2005 History, 2006-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1997	76,420	953	65.9	27.3	246	\$0.7	\$1.6	\$26,840	3.4	350.6	256.2	15.3
1998	76,891	-142	69.7	27.6	208	\$0.8	\$1.7	\$27,658	3.2	328.9	242.5	15.6
1999	78,034	642	72.0	27.8	183	\$0.8	\$1.9	\$28,370	4.2	408.9	302.0	13.1
2000	79,528	1,026	74.2	27.0	249	\$1.0	\$1.9	\$27,451	4.5	383.0	337.0	9.4
2001	80,894	913	77.5	27.2	447	\$1.0	\$2.0	\$26,565	5.4	282.5	330.9	9.8
2002	82,945	1,491	81.8	27.7	658	\$1.0	\$2.1	\$26,513	1.6	305.9	316.7	11.0
2003	85,427	1,854	82.2	28.2	991	\$1.1	\$2.2	\$26,844	1.8	310.9	329.8	11.2
2004	88,007	1,960	88.6	28.8	1,300	\$1.2	\$2.3	\$27,247	1.2	305.3	351.0	10.6
2005	90,627	1,945	90.5	29.8	1,328	\$1.4	\$2.5	\$27,100	2.0	302.6	317.5	9.4
2006	93,319	1,931	93.5	31.2	513	\$1.5	\$2.7	\$27,361	3.9	300.0	347.8	8.6
2007	95,804	1,692	96.6	31.7	775	\$1.6	\$2.8	\$27,698	2.4	301.3	359.9	8.9
2008	98,409	1,805	100.0	32.5	899	\$1.7	\$3.0	\$27,998	2.0	297.2	369.9	9.5
2009	100,982	1,756	103.7	33.4	777	\$1.8	\$3.2	\$28,310	2.0	297.2	383.6	9.7
2010	103,449	1,638	107.5	34.2	851	\$1.9	\$3.4	\$28,578	2.5	295.7	397.9	9.3
2011	106,046	1,758	111.6	35.1	865	\$2.0	\$3.6	\$28,970	2.4	290.6	421.5	9.0
2012	108,766	1,862	115.7	36.0	882	\$2.1	\$3.8	\$29,256	2.2	287.0	445.5	9.0
2013	111,604	1,956	119.9	36.9	839	\$2.2	\$4.0	\$29,421	2.3	284.5	469.5	8.9
2014	114,481	1,972	124.2	37.7	893	\$2.3	\$4.2	\$29,594	2.3	280.9	493.5	8.8
2015	117,477	2,076	128.6	38.6	946	\$2.5	\$4.5	\$29,686	2.5	277.0	514.1	8.6
2016	120,598	2,188	133.1	39.6	971	\$2.6	\$4.7	\$29,746	2.7	273.0	540.7	8.3
2017	123,803	2,257	137.5	40.6	985	\$2.7	\$4.9	\$29,708	2.7	265.7	561.4	8.1
2018	127,066	2,303	142.1	41.6	1,012	\$2.9	\$5.2	\$29,722	2.5	260.9	588.4	7.9
2019	130,391	2,355	146.7	42.6	1,028	\$3.0	\$5.5	\$29,738	2.5	256.6	611.2	7.6
2020	133,757	2,390	151.3	43.6	1,018	\$3.2	\$5.8	\$29,684	2.5	252.2	636.3	7.4
2021	137,134	2,398	156.1	44.7	1,057	\$3.3	\$6.0	\$29,678	2.4	245.6	652.7	7.1
2022	140,571	2,458	160.9	45.7	1,096	\$3.5	\$6.4	\$29,731	2.5	241.4	657.5	6.9
2023	144,082	2,529	165.7	46.9	1,110	\$3.7	\$6.7	\$29,804	2.5	235.1	660.1	6.8
2024	147,640	2,569	170.5	48.0	1,173	\$3.8	\$7.0	\$29,907	2.3	232.3	655.3	6.6
2025	151,296	2,660	175.3	49.2	1,170	\$4.0	\$7.4	\$29,986	2.4	228.8	643.8	6.4
2026	154,987	2,685	180.0	50.4	1,218	\$4.2	\$7.8	\$30,054	2.4	225.0	640.3	6.2
2027	158,755	2,755	184.8	51.6	1,237	\$4.4	\$8.2	\$29,995	2.5	221.0	638.0	6.1
2028	162,573	2,801	189.6	52.9	1,251	\$4.6	\$8.6	\$29,915	2.7	215.1	645.5	6.0
2029	166,430	2,837	194.5	54.1	1,241	\$4.9	\$9.0	\$29,833	2.7	211.5	654.7	5.8
2030	170,294	2,842	199.4	55.4	1,279	\$5.1	\$9.4	\$29,763	2.6	207.7	665.1	5.6



# Sutter County Employment Forecast

## 1997-2005 History, 2006-2030 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	23.1	4.30	1.06	1.83	0.58	4.18	0.83	1.24	0.20	2.21	1.83	3.77
1998	23.3	4.23	0.97	1.81	0.59	4.38	0.84	1.23	0.20	2.39	1.80	3.78
1999	24.1	4.08	1.03	2.01	0.66	4.54	0.93	1.36	0.20	2.48	1.92	3.83
2000	25.0	4.01	1.18	2.07	0.63	4.62	0.96	1.47	0.20	2.63	1.97	4.17
2001	25.9	3.84	1.44	2.25	0.63	4.81	1.00	1.45	0.20	2.87	2.16	4.07
2002	25.9	3.51	1.40	1.69	0.66	5.23	1.03	1.58	0.20	3.22	2.36	3.93
2003	26.5	3.83	1.43	1.64	0.61	5.25	1.02	1.78	0.20	3.22	2.30	4.23
2004	26.0	3.57	1.46	1.58	0.54	4.83	1.03	1.85	0.20	3.32	2.13	4.35
2005	26.6	3.59	1.47	1.44	0.56	4.95	1.05	2.08	0.20	3.44	2.19	4.60
2006	27.8	3.61	1.62	1.49	0.58	5.34	1.07	2.16	0.20	3.53	2.27	4.95
2007	28.6	3.62	1.59	1.49	0.59	5.60	1.08	2.28	0.20	3.65	2.35	5.12
2008	29.2	3.62	1.55	1.50	0.60	5.81	1.09	2.37	0.21	3.78	2.44	5.22
2009	29.9	3.63	1.50	1.50	0.64	6.00	1.10	2.45	0.21	3.95	2.52	5.31
2010	30.6	3.63	1.47	1.50	0.71	6.18	1.11	2.54	0.22	4.14	2.59	5.37
2011	31.3	3.63	1.46	1.51	0.77	6.36	1.13	2.63	0.23	4.33	2.66	5.46
2012	31.9	3.63	1.46	1.51	0.83	6.54	1.14	2.72	0.24	4.50	2.71	5.54
2013	32.6	3.63	1.46	1.51	0.88	6.71	1.15	2.81	0.24	4.66	2.76	5.62
2014	33.2	3.63	1.46	1.50	0.94	6.88	1.17	2.90	0.25	4.82	2.81	5.72
2015	33.9	3.62	1.47	1.50	0.99	7.05	1.18	2.98	0.25	4.98	2.86	5.83
2016	34.6	3.62	1.48	1.50	1.05	7.22	1.20	3.06	0.26	5.14	2.91	5.95
2017	35.3	3.61	1.50	1.50	1.10	7.38	1.22	3.14	0.26	5.31	2.96	6.07
2018	36.0	3.60	1.51	1.50	1.17	7.54	1.23	3.22	0.27	5.51	2.99	6.20
2019	36.7	3.59	1.52	1.50	1.24	7.70	1.25	3.30	0.27	5.73	3.01	6.33
2020	37.4	3.59	1.52	1.49	1.30	7.86	1.26	3.38	0.27	5.94	3.03	6.45
2021	38.1	3.58	1.52	1.48	1.37	8.02	1.27	3.46	0.28	6.16	3.05	6.56
2022	38.8	3.57	1.52	1.48	1.44	8.18	1.29	3.54	0.28	6.40	3.07	6.67
2023	39.5	3.56	1.53	1.47	1.50	8.35	1.30	3.61	0.28	6.64	3.09	6.78
2024	40.2	3.55	1.54	1.47	1.57	8.52	1.32	3.69	0.29	6.86	3.11	6.89
2025	40.9	3.55	1.55	1.47	1.63	8.70	1.33	3.77	0.29	7.07	3.14	7.00
2026	41.6	3.54	1.57	1.47	1.68	8.88	1.35	3.84	0.29	7.26	3.17	7.11
2027	42.3	3.53	1.58	1.46	1.73	9.06	1.36	3.92	0.30	7.45	3.21	7.21
2028	43.0	3.52	1.60	1.46	1.78	9.23	1.38	3.99	0.30	7.63	3.27	7.32
2029	43.7	3.52	1.62	1.47	1.83	9.41	1.40	4.07	0.30	7.80	3.33	7.43
2030	44.4	3.51	1.63	1.47	1.88	9.58	1.41	4.14	0.31	7.98	3.39	7.55

